

The Director of Central Intelligence

Washington, D. C. 20505

Executive Registry

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8 March 1984

The Honorable Daniel Patrick Moynihan  
Vice Chairman  
Select Committee on Intelligence  
United States Senate  
Washington, D. C. 20510

*memo  
chrono*

Dear Pat,

Thanks for your letter of February 2nd which I found upon my return from a long trip. As I told you over the telephone, I was very unhappy about the article in The Wall Street Journal. I am particularly pained about the suggestion that one "Agency's revival" will be a partisan political theme in the re-election campaign. Of course, the closest reading of The Wall Street Journal story establishes that the only authority for that is the author's speculation. I can assure you that neither I nor the Agency will be a part of any such thing. I've checked and have been assured that there is no intention to go out to make any such issue.

All of us know that the increase in the personnel and budgetary strength of the Agency began in 1979, that it was planned and proposed earlier, and that it cannot be completed without strong bi-partisan support. I fully share your conviction that the vital functioning of this Agency cannot be risked or impaired through any use of CIA for partisan political purposes. The protection of our national security, to which both this Agency and your Committee are so firmly committed, is too important a mission to subject to the vagaries of the political process or the partisan purposes of either party.

As the Agency noted last year in transmitting its 1984 Intelligence Authorization Act, we must "capitalize on the significant steps which the executive and legislative branches have taken together toward revitalization of our nation's Intelligence Community, [and] we must insure sufficient resources in Fiscal Year 1984 to continue building the intelligence capabilities needed to meet the challenges of the late 1980s and beyond." As this letter further notes, it is only through the bi-partisan support of Congress that the Agency can continue to stay "firmly on the path of progress which we have charted together." You have my assurance that I will not tolerate any attempt to politicize the Agency or its work, or use the fact of its revitalization for partisan political purposes. Any such use of the Agency would be damaging to the trust and confidence that must exist between your Committee and this Agency, and must be avoided in the interest of maintaining an effective Congressional relationship which will serve as the continuing basis for maintaining and building the intelligence capabilities required for both today and the future.

Sincerely,

*JSJ*  
William J. Casey

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Remarks

Please coordinate with D/PAO and  
provide DCI with recommendation re  
response.



Executive Secretary  
7 February 1984

Date

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Next 1 Page(s) In Document Denied

# CIA Is Expanding Anti-Terrorism Effort But Lacks Data From Inside the Groups

By DAVID IGNATIUS  
Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—The Central Intelligence Agency is working with friendly countries to create a new anti-terrorism network, but the effort may be hampered by a lack of inside information about the growing array of terrorist groups.

The anti-terrorism effort was described yesterday by an authoritative government source in an upbeat summary of CIA expansion during the first three years of the Reagan administration. The source's message, likely to be repeated during President Reagan's reelection campaign, is that a revived CIA is back in business around the world.

But despite the source's claims of improved CIA performance during Mr. Reagan's administration, terrorism has been a black eye for the agency. The CIA's failure to warn about bomb attacks against the U.S. Embassy and Marine headquarters in Beirut had many causes, including the loss of agents in Iran and in the Palestine Liberation Organization in the past several years. The U.S., for the moment, is dependent largely on other intelligence services, such as those of Israel, Jordan and Lebanon, which often lack detailed information from inside the terrorist groups.

The CIA has received additional funding and staffing recently. The Reagan administration has increased the agency's staff, including a restoration of 800 positions in the clandestine service that were cut during the Carter administration, the source said. He added the agency has more stations overseas, more case officers, more agents, more analytical reports and better relations with foreign intelligence services.

The new anti-terrorism network appears to be based largely on a greater exchange of information with friendly intelligence services in the Middle East and Europe. The U.S. also has developed its own counterterrorism strike force of 100 to 150 people, based in the Defense Department, as well as smaller CIA teams to deal with terrorist incidents.

To coordinate the increasing flow of information about terrorism, the CIA also has established a new evaluation center that can handle human, electronic and other intelligence data. Establishment of such a terrorism-information center was recommended strongly by a Pentagon commission that investigated last October's bomb attack against U.S. Marines in Beirut. The source said the CIA's station in Beirut is now in contact with the Marines there as often as several times a day about potential threats.

The authoritative government official, who spoke on the condition he wouldn't be identified, discussed a range of intelligence issues facing the U.S. The highlights:

—The CIA believes the Soviet Union is developing the capability for a nationwide missile-defense system. The source said evidence of Soviet preparation for such a system includes laser research, the construction of six large radar complexes, the development of an anti-aircraft missile system that also could help shoot down U.S. ballistic missiles and the establishment of new military production lines.

—The CIA is supporting actively 12,000 to 15,000 Nicaraguan rebels in their war

against the Sandinista government. But the number of CIA officers involved in this covert war program is slightly more than 20 people, rather than the 500 estimated in some newspaper reports, the source said. The CIA believes the anti-Sandinista campaign has been effective, but it doubts the rebels will overthrow the Nicaraguan government, he said. While CIA involvement in Nicaragua long has been known, the source's comments are the most detailed information provided by the government.

—The U.S. also appears to be helping, at least indirectly, anti-government forces in Afghanistan and Kampuchea, the source indicated. He said in these two countries, and in Angola, pro-Soviet regimes are facing growing resistance.

—The CIA plans to leave to Italian authorities the issue of Bulgaria's alleged role in the 1981 assassination attempt against Pope John Paul II. The source said the trial of Mehmet Ali Agca will show a high degree of Bulgarian involvement, leading to a strong suspicion that Soviet intelligence also was involved. But he said the Soviet link probably never will be proved, and that U.S. efforts to publicize the issue might be counterproductive.

—The CIA has increased sharply its analytical staff and output, the source said. After losing about half its analysts between 1978 and 1980, largely through budget cuts and retirement, the agency has added 400 to 450 analysts in the past three years. Moreover, the agency currently produces about 50 "national intelligence estimates" on foreign developments each year, compared with 12 annually during the Carter administration.

—To guard against political surprises abroad, the CIA is producing a new quarterly report on political instability in 30 important countries, the source said. The quarterly reports, studying long-term political trends, supplement the CIA's weekly "watch reports" on current intelligence.

—The Soviet intelligence service, the KGB, is on the defensive because of successful U.S. counterintelligence operations, the source asserted. Last year, 147 KGB agents were expelled, were arrested or defected in Western countries, he said. As a result, the source said, the KGB's own counterintelligence department appears to be supervising KGB operations more closely to prevent more agents from being recognized.

NEW YORK TIMES

29 Dec 83 Pg. 15

## ***White House Contends Carter Crippled C.I.A.***

LOS ANGELES, Dec. 27 (AP) — A White House spokesman said today that failures in intelligence-gathering in connection with the Beirut bombing could be attributed to decisions of the Carter Administration that crippled the Central Intelligence Agency.

The spokesman, Larry Speakes, was commenting on the intelligence section of the Long Commission report.

The report, without mentioning the Administration of President Carter, said the intelligence failure was, "in large part due to policy decisions which have resulted in a United States human intelligence capability commensurate with the resources and time that have been spent on it."

Mr. Speakes said:

"We don't quarrel with the fact that the C.I.A. and other intelligence-gathering agencies have been crippled by decisions of the previous Administration; and we are in the process of rebuilding capabilities. But it takes time to re-establish our intelligence-gathering methods."